



Presentation to the 2011 Health and Human Services
Joint Appropriation Subcommittee

DEVELOPMENTAL SERVICES DIVISION

Medicaid Branch
Department of Public Health and Human Services

Reference:
Legislative Fiscal Division Budget Analysis, Volume 4 Section B, Pages B-186 – B-219

CONTACT INFORMATION

| Title | Name | Phone Number | E-mail address |
|----------------------------|-------------|--------------|--|
| Division Administrator | Bob Runkel | 444-9055 | BRunkel@mt.gov |
| CMHB Bureau Chief | Bonnie Adee | 444-1290 | BAdee@mt.gov |
| DDP Director | Jeff Sturm | 444-2695 | JeSturm@mt.gov |
| MDC Superintendent | Kathy Zeeck | 225-4400 | KZeeck@mt.gov |
| Division Financial Officer | Vacant | 444-5482 | |

OVERVIEW

The Developmental Services Division (DSD) assists Montanans with disabilities and children with emotional disturbances to live, work, and participate in their communities. The Division provides or contracts for institutional care, residential services, home based services to youth and families, case management, and a variety of employment related services.

The Division is organized into 3 major programs:
Children's Mental Health Bureau (CMHB)
Developmental Disabilities Program (DDP)
Montana Developmental Center (MDC)

The Children's Mental Health Bureau (CMHB) provides leadership toward an integrated system of care for programs serving Montana families, youth and children. The Bureau manages Medicaid funded children's mental health services and employs a family and youth focused approach.

The Developmental Disabilities Program (DDP) provides leadership toward increasing choices and opportunities for people with developmental disabilities in their communities. The Program employs a person centered planning approach.

The Montana Developmental Center (MDC) provides residential care and treatment to improve, preserve, strengthen, and protect the health, well-being, and self-reliance of individuals. MDC's program prepares clients for discharge to appropriate community programs and is a critical component in the continuum of care for persons with developmental disabilities.

SUMMARY OF MAJOR FUNCTIONS

Children's Mental Health Bureau (CMHB)

CMHB is organized into a central office and five regional offices. The Central Office provides statewide management of mental health services for children under 18, along with program fiscal operations, policy direction, quality assurance, provider payment processing and federal reporting functions. Regional staff develop and link community resources with youth and families promote and support stabilization/reunification efforts using family driven and community based values and practices.

Developmental Disabilities Program (DDP)

DDP is organized into a central office and five regional offices with four satellite offices. The Central Office provides statewide management and supervision, program fiscal operations and budgeting, policy direction, quality assurance, provider payment processing, and federal reporting functions. The offices across the state oversee 60 service provider agencies that provide services to over 4,500 individuals with developmental disabilities. The regional staff performs billing and invoicing, quality assurance monitoring, and case management functions.

Montana Developmental Center (MDC)

MDC, located in Boulder, provides a healthy, safe, therapeutic environment to assist individuals with developmental disabilities prepare for community living. MDC also provides a safety net for those individuals who pose a danger to themselves or others. MDC is licensed by Medicaid as an ICF/MR (Intermediate Care Facility for Mental Retardation) and by the State of Montana as an ICF/DD (Intermediate Care Facility for Developmental Disabilities) and currently serves 66 individuals.

HIGHLIGHTS AND ACCOMPLISHMENTS DURING THE 2011 BIENNIUM

Children's Mental Health Bureau (CMHB)

Fewer youth are treated in out of state facilities

In SFY 2009, 127 youth left the state for mental health care. That number dropped to 100 in SFY 10. Both Medicaid and non-Medicaid funded placements are included in the numbers, but unplanned hospital visits across the border are not. In-state providers stepped up to serve some youth who would have gone out of state. CMHB (Medicaid), Child and Family Services, and Juvenile Probation, representing both funders and child placing agencies, collaborated and implemented strategies to reduce the number of youth in out of state care.

*"I think families need to be empowered to do what they can with their kids"
(Grandparent who attended Family Empowerment training)*

More youth have access to wraparound facilitation and services

Montana is one of 9 states approved by CMS to offer a 1915(c) waiver look-alike grant to demonstrate the effectiveness of intensive home and community based services in lieu of treatment in Psychiatric Residential Treatment Facility (PRTF). CMS provides grant funds to these nine states to cover start up administrative and training costs. With assistance from this grant, CMHB has continued to offer wraparound training that was initiated during an earlier SAMHSA grant to providers, family members and other child serving agency staff. Youth and families participating in this waiver in Big Horn, Broadwater, Carbon, Cascade, Lewis and Clark, Jefferson, Musselshell, Missoula, Ravalli, Stillwater, and Yellowstone counties have access to a wraparound facilitator, a family support specialist, and will soon have access to peer to peer support for family members. These services are funded with Medicaid dollars.

"I am really excited about wraparoundI can see where wraparound can really promote general family health.....It's about coming up with a plan and identifying strengths of the family.....When there is a plan in place, that can make a huge difference." (Parent talking about wraparound after presentation by trainer)

More families have access to support and education

CMHB partnered with the Montana chapters of Federation of Families and National Alliance for the Mentally Ill (NAMI) to bring NAMI Basics, a six week education course for families of young people with mental illness, to Montana. In June 2010, the CMHB sponsored the first Family and Youth Empowerment training with system of care funding.

"I love the curriculum (of NAMI Basics). I love what it teaches to parents. I've taught the class several times and have seen a great boost for the parents. They feel connected; they feel like they have information they didn't have before, and it relieves them of guilt- it is not their fault." (Parent and NAMI Basics teacher)

Collaboration has increased among the children's service system partners

The Office of Public Instruction (OPI) and CMHB collaborated to hire a researcher to identify best practices in school based mental health for the purpose of reviewing and making changes to the rules that address Comprehensive School and Community Treatment (CSCT).

CMHB has assigned a staff person to work as a liaison to help youth receiving mental health services access care in the Developmental Disabilities Program (DDP) when the youth is dually eligible. The liaison also helps families apply for DD services when their child might be eligible for those services. The System of Care Planning Committee (SOC Committee) has identified wraparound as the evidence based practice the agency members intend to use as a strategy to reduce out of home placements and support family empowerment.

*"I am going to tell everyone I know that is connected with the foster care system and children."
(Parent speaking about wraparound after presentation).*

Developmental Disabilities Program (DDP)

Children's Autism Waiver (CAW) services for children is operating at full capacity

In 2009, fifty children across Montana were selected for services as the new autism waiver was implemented. This waiver provides intensive early autism intervention training (about 20 hours per week) for improving skills in the areas of communication, socialization, academics, and activities of daily living while reducing difficult or socially unacceptable behaviors. Eligible children are between the ages of 15 months through 7 years old and may receive services for a maximum of 3 years. Seven agencies across the state provide program design and training individualized for each child, case management services, and other supports to children and their families. Services are based on applied behavior analysis (ABA) training models, and evidence-based practice.

"[Child] entered the CAW in July 2009...His [special education] preschool program was not able to complete standardized assessments with him due to his behavior...He preferred to sit under the table... He spent much of his day running and crashing ... He is now [15 months later] in regular First Grade and requests staying for after school activities where he can play with his friends." (staff progress notes)

"The period of time that [my child] has been working with the CAW program hasn't been very long, but I have seen so much improvement. 6 months ago she couldn't tell me what she wanted ... she no longer throws fits and is able to tell me what she wants and needs so life is easier for everyone... I am so pleased with her progress." (Mom of a child with autism)

DDP received many additional testimonies from parents and progress notes from providers that show advances made by children in this service. The CAW intervention programs are specifically designed for each child to increase their skills and mitigate their challenging behaviors.

Direct care staff receive access to consistent high quality training

Funded by the 2007 Legislature, this on-line program for direct care staff offers courses developed by the University of Minnesota's Institute on Community Integration to all Montana direct care staff who are employed 20 hours or more a week. The College of Direct Support currently offers approximately 90 on-line lessons ranging from instruction in autism, depression, person-centered planning and behavioral supports to name just a few. The training is based on careful analysis of knowledge, skills, and abilities needed to provide high-quality support to people with disabilities.

Crisis response services divert institutional placements

Crisis response services focus on diverting institutional placements by providing specially trained staff to assist individuals with developmental disabilities experiencing a crisis. The purpose of crisis response is to assist the individual and the provider in negotiating their way through the crisis as well as to avoid future crisis situations. This is accomplished through on-site consultation, collaboration with service providers/family, behavioral observation/assessment, and/or training as well as assessment to determine what ongoing services are appropriate. In the last 12 months, the Crisis and Transition Specialist has assisted fifty-five individuals in crisis across the state; of these, only five were later committed to the MDC and the rest were able to remain in their community. Crisis services have been utilized by twenty-seven different DDP community providers, as well as the Montana State Hospital.

Incident management provides new level of accountability to ensure safe environments

THERAP is an on-line incident management documentation and communication software system. All providers, state staff, and contracted staff record and review incident reports and track and summarize data. THERAP users can report and follow-up on a wide range of incidents, including injuries, behavioral concerns, medication errors, restraints, allegations of abuse and neglect, accidents and unusual events. The system allows statewide analysis and monitoring to support individuals with developmental disabilities by tracking that their health and safety needs are being met.

Self-directed services allow greater choice for families and individuals

Beginning July, 2009 individuals receiving developmental disability services were provided an option to self direct services using Acumen Fiscal Agent for workers' compensation, tax and payroll purposes. Services currently available to self direct are respite and transportation associated with the provision of respite. The self direct option allows either the individual in services or a family member to become the employer and to hire, train, schedule, supervise and terminate their employees. Acumen Fiscal Agent processes the payroll and provides workers' compensation for all employees. Self direction allows more flexibility in who provides services and when services occur while helping the individual/family member "employer" ensure that they are meeting taxation and workers compensation requirements. Currently there are 166 individuals receiving self directed services.

Organizations continue their movement toward individualized/person centered planning

All individuals in Developmental Disabilities Program services have an annual person centered plan of care called a Personal Support Plan that describes their goals and how they will be accomplished. Thanks to technical assistance provided by the Centers for Medicare and Medicaid Services (CMS), Montana is broadening the scope of person centered planning and moving towards also having Person Centered Organizations and a Person Centered Developmental Disability System. Michael Smull, a CMS recognized expert in the field of person centered practices, has been working with the DDP and community-based providers to develop the skills that underlie good person centered plans and making the changes needed within organizations and systems to implement those plans.

Infant and toddler services streamline paperwork and improve accountability

A new uniform Individual Family Service Plan (IFSP) document was created for DDP children's programs. The standardized document allows a family who transitions from one agency to another or from one service to another to use the same document; it also provides improved efficiency for state quality assurance staff reviewing documents for compliance. A guide with accompanying forms was developed to help facilitate transitions between the Part C infant and toddler program and Part B preschool program provided by public schools. ARRA funds were used to purchase programming and design of a web-based database to collect information on child outcomes to determine how children benefit from early intervention. When fully implemented the database will allow the State to trend and analyze the outcomes data.

Newsletter improves communications with families and persons with developmental disabilities

Based on needs identified through community meetings, DDP created a quarterly newsletter called 'Voice and Choice'. The newsletter includes information about upcoming events beneficial to persons with developmental disabilities and their families, news/updates/information about services and describes issues that may be on the horizon.

Parents work with DDP to develop a guide explaining how to access services

An information guide was created in conjunction with Parents Let's Unite for Kids (PLUK). *The Guide to Success: Navigating Montana's Developmental Disabilities Program* helps explain available services and programs, clarifies where people can get additional information, and provides glossary/acronym descriptions and a section listing other resources.

Process for becoming a qualified provider of DD services is streamlined

Information about how to become a qualified provider of services for individuals with developmental disabilities and the application process is online. The application process is now more accessible to potential providers seeking information on how to become a DD service provider, supports state staff who manage the application process and ensures that applicants are using the most current version of the application form.

Montana Developmental Center (MDC)

Newly established governing body improves oversight of the facility operations

Responsibilities of the governing body include general supervision of facility operations including authority to establish policy for the facility and monitor health and safety issues. This has led to improved accountability for programs and services and for health and safety.

Programs and services are more efficient and better aligned with community providers

MDC has improved systems to enable the facility to better serve clients while increasing efficiency in its operation. This is been achieved by integrating the same THERAP software system for incident management that is used by community-based providers and staff training has reemphasized the importance of safety of persons served. Safety has been improved by better controlling access to campus buildings. MDC has also improved its Personal Support Planning process and expanded therapeutic client services within the facility.

Creative options for work opportunities have been developed

One gentleman has made money selling his art at the community art gallery and painting a mural for MDC. Clients have made money baking for the facility. One young woman has been working as receptionist at the front desk.

Broad array of opportunities offered beyond therapy

- Pottery classes followed by art show
- Life Fitness classes
- Community service projects
- Book Clubs
- Ongoing Dinner Club
- Equestrian classes
- Native American Culture Club
- Outdoor training – camping & backpacking

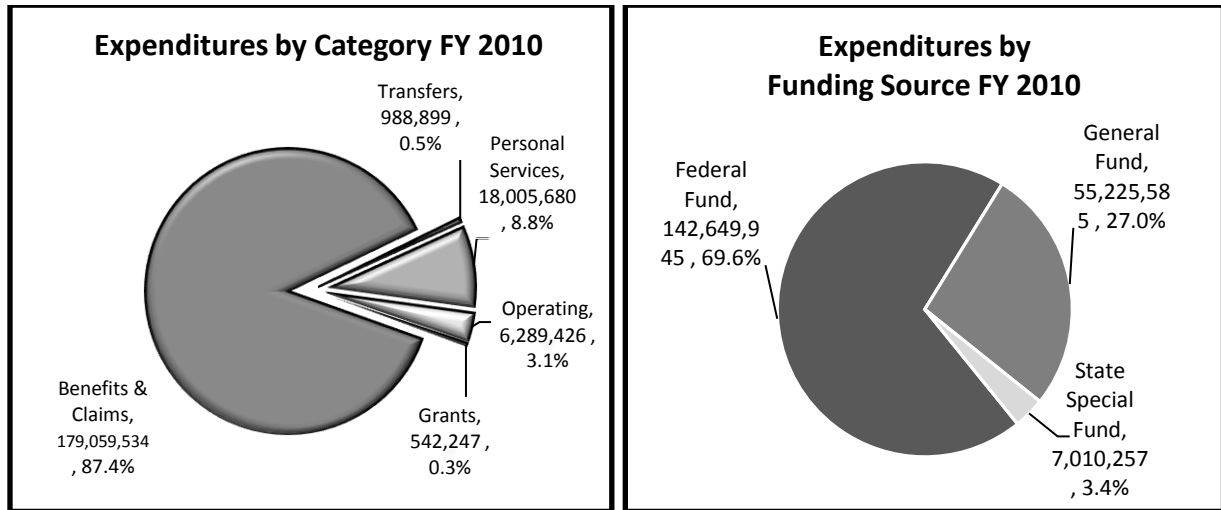
2011 BIENNIUM GOALS AND OBJECTIVES

| Department of Public Health and Human Services Developmental Services Division | |
|--|---|
| Goals and Objectives for the 2013 Biennium Submitted September 1, 2010 | |
| Goal: To continuously improve services that help Montanans with disabilities, including transitioning students, to live, work and fully participate in their communities. | |
| Objective | Measures |
| The DDP Children's Autism Waiver began in 2009 for the purposes of providing intense autism intervention services to children ages 15 months through 7 years old for 3 years duration. | Fully implement the autism waiver and begin gathering data on the effectiveness of the autism intervention program. |
| Objective | Measures |
| The DDP waivers all have extensive waiting lists. To increase the numbers of individuals in the waiver from caseload expansion funds. | Expand the waiver programs in relation to the caseload expansion appropriations |

FUNDING AND FTE INFORMATION

| | 2010 Actual Expenditures | FY 2012 Request | FY 2013 Request |
|--|---|----------------------------|----------------------------|
| DEVELOPMENTAL SERVICES DIVISION | | | |
| FTE | 367.92 | 359.21 | 354.92 |
| Personal Services | 18,005,680 | 18,862,773 | 18,606,692 |
| Operating | 6,289,426 | 6,104,566 | 6,109,017 |
| Grants | 542,247 | 400,941 | 400,941 |
| Benefits & Claims | 179,059,534 | 184,698,761 | 187,492,919 |
| Transfers | 988,899 | 988,899 | 988,899 |
| | 204,885,787 | 211,055,940 | 213,598,468 |
| General Fund | 55,225,585 | 74,505,582 | 75,960,188 |
| State Special Fund | 7,010,257 | 6,596,077 | 6,596,077 |
| Federal Fund | 142,649,945 | 129,954,281 | 131,042,203 |
| | 204,885,787 | 211,055,940 | 213,598,468 |

**THE FOLLOWING FIGURES PROVIDE FUNDING AND EXPENDITURE INFORMATION
FOR FY 2010 FOR THE DEVELOPMENTAL SERVICES DIVISION**



DECISION PACKAGES

NP 10103 - Med Ben - Restore Autism Group Home

- This request is for \$1.3 million total funds, \$0.4 million general fund over the 2013 biennium to restore OTO funding from the 2009 Legislative Session for a group home for people with autism. This group home is at capacity. Four people remain in treatment.
- LFD Budget Analysis page **B-217**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|----------------|--------------|---------------|---------------|---------------|
| FY 2012 | \$ 216,982 | \$ - | \$ 425,356 | \$ 642,338 |
| FY 2013 | \$ 220,065 | \$ - | \$ 422,273 | \$ 642,338 |
| Biennium Total | \$ 437,047 | \$ - | \$ 847,629 | \$ 1,284,676 |

NP 10104 - Med Ben - MDC Transition to Waiver

- This request is for \$1.6 million total funds, \$0.6 million general fund over the 2013 biennium to support services in community for individuals residing at MDC, whose commitments have expired and who are referred for community placement.
- LFD Budget Analysis page **B-217**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|----------------|--------------|---------------|---------------|---------------|
| FY 2012 | \$ 125,019 | \$ - | \$ 245,078 | \$ 370,097 |
| FY 2013 | \$ 430,691 | \$ - | \$ 826,435 | \$ 1,257,126 |
| Biennium Total | \$ 555,710 | \$ - | \$ 1,071,513 | \$ 1,627,223 |

NP 10107 - Med Ben - DD Refinancing

- This request is for a decrease of \$4.0 million general fund and an increase of \$4.0 million federal Medicaid funds over the biennium to support the transition of individuals in DDP funded services from state only funded services to services funded with federal Medicaid participation.
- This decision package would transfer approximately \$3 million per year of state-only funded cost plans to cost plans funded with federal Medicaid participation at the FMAP rate.
- This proposal increases the Medicaid caseload and Medicaid costs, but also reduces the general fund support of these cost plans by \$2 million per year. The general fund savings is equivalent to the increased federal participation.
- LFD Budget Analysis page **B-218**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|----------------|---------------|---------------|---------------|
| FY 2012 | \$ (2,017,138) | \$ - | \$ 2,017,138 | \$ - |
| FY 2013 | \$ (2,017,138) | \$ - | \$ 2,017,138 | \$ - |
| Biennium Total | \$ (4,034,276) | \$ - | \$ 4,034,276 | \$ - |

NP 55410 - 4% GF - MDC Reconfiguration

- This decision package is part of the department's 4% general fund personal services reduction. This request is for \$1.1 million total funds (a decrease of \$0.3 million general fund and an increase of \$1.4 million federal Medicaid funds) over the 2013 biennium to reconfigure the operations of MDC and move people residing at MDC to services in community settings.
- The general fund reduction here will be the result of staffing reductions associated with placement of twelve individuals at MDC, who have been referred for community placement and a simultaneous reduction to the number of licensed beds.
- LFD Budget Analysis page **B-205 and B-219**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|--------------|---------------|---------------|---------------|
| FY 2012 | \$ (78,526) | \$ - | \$ 557,493 | \$ 478,967 |
| FY 2013 | \$ (210,600) | \$ - | \$ 830,296 | \$ 619,696 |
| Biennium Total | \$ (289,126) | \$ - | \$ 1,387,789 | \$ 1,098,663 |

PL 10001 - FMAP Adj - DD & CMH

- This request provides an increase in general fund and a decrease in federal Medicaid funds over the biennium due to a projected change in Federal Medical Assistance Percentage (FMAP) rates for FY 2012 and FY 2013 as they apply to Developmental Disabilities Program and Children's Mental Health Program benefit expenditures. The decrease in federal funds is equal to the increase in general fund in the amount of \$688,470 in FY 2012 and \$1,346,538 in FY 2013.
- LFD Budget Analysis pages **B-201 and B-215**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|----------------|--------------|---------------|----------------|---------------|
| FY 2012 | \$ 688,470 | \$ - | \$ (688,470) | \$ - |
| FY 2013 | \$ 1,346,538 | \$ - | \$ (1,346,538) | \$ - |

| | | | | |
|-----------------------|---------------------|-------------|-----------------------|-------------|
| Biennium Total | \$ 2,035,008 | \$ - | \$ (2,035,008) | \$ - |
|-----------------------|---------------------|-------------|-----------------------|-------------|

PL 10002 - Med Ben - CMH Caseload

- This request is for general fund and federal Medicaid funds to support projected caseload increases for children receiving mental health services. The funding request is for \$18.7 million total funds, \$6.4 million general fund, over the 2013 biennium.
- LFD Budget Analysis page **B-201**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|---------------------|----------------------|----------------------|----------------------|
| FY 2012 | \$ 2,982,619 | \$ - | \$ 5,839,089 | \$ 8,821,708 |
| FY 2013 | \$ 3,367,926 | \$ - | \$ 6,462,564 | \$ 9,830,490 |
| Biennium Total | \$ 6,350,545 | \$ - | \$ 12,301,653 | \$ 18,652,198 |

PL 10003 - Med Ben - DD Caseload

- This request is for general fund and federal Medicaid funds to support ongoing Medicaid caseload and service utilization projections for individuals receiving Developmental Disabilities Program services, including comprehensive waiver, community services waiver and autism waiver services. The funding request is for \$15.7 million total funds, \$5.3 million general fund, over the 2013 biennium.
- LFD Budget Analysis page **B-215**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|---------------------|----------------------|----------------------|----------------------|
| FY 2012 | \$ 2,564,364 | \$ - | \$ 5,027,002 | \$ 7,591,366 |
| FY 2013 | \$ 2,764,300 | \$ - | \$ 5,304,292 | \$ 8,068,592 |
| Biennium Total | \$ 5,328,664 | \$ - | \$ 10,331,294 | \$ 15,659,958 |

PL 10006 - Restore OT/Holidays Worked

- This request provides \$1.9 million general fund over the 2013 biennium to adjust for zero-based personal services funding. This is not a request for new funding. This request is necessary to maintain minimum Montana Developmental Center (MDC) staffing requirements at this 24-hour day, 7-days-a-week facility and to maintain Medicaid certification.
- LFD Budget Analysis page **B-204**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|---------------------|----------------------|----------------------|----------------------|
| FY 2012 | \$ 927,631 | \$ - | \$ - | \$ 927,631 |
| FY 2013 | \$ 933,187 | \$ - | \$ - | \$ 933,187 |
| Biennium Total | \$ 1,860,818 | \$ - | \$ - | \$ 1,860,818 |

PL 10007 - Non DofA rent adjustment

- The Developmental Services Division requests \$21,774 total funds, \$6,779 general fund, over the biennium for rent increases for offices in non-state owned buildings. The increases are negotiated in the lease agreements for field offices across the state.
- LFD Budget Analysis pages **B-201 and B-215**
-

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|--------------|---------------|---------------|---------------|
| FY 2012 | \$ 2,015 | \$ - | \$ 4,297 | \$ 6,312 |
| FY 2013 | \$ 4,764 | \$ - | \$ 10,698 | \$ 15,462 |
| Biennium Total | \$ 6,779 | \$ - | \$ 14,995 | \$ 21,774 |

PL 10008 - Med Ben - Annualization of Service Expansion

- This request is for general fund and federal Medicaid funds to support FY 2011 Medicaid caseload levels for individuals receiving Developmental Disabilities Program services, including comprehensive waiver and autism waiver services. These individuals entered waiver services during the 2011 biennium; however, their annual cost plans were not part of base budget due to timing. The funding request is for \$4.0 million total funds, \$1.4 million general fund, over the 2013 biennium.
- LFD Budget Analysis page **B-215**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|--------------|---------------|---------------|---------------|
| FY 2012 | \$ 679,973 | \$ - | \$ 1,332,973 | \$ 2,012,946 |
| FY 2013 | \$ 689,636 | \$ - | \$ 1,323,310 | \$ 2,012,946 |
| Biennium Total | \$ 1,369,609 | \$ - | \$ 2,656,283 | \$ 4,025,892 |

PL 10009 - FMAP Adj - DD Operating Costs

- This request provides a \$0.3 million increase in general fund and a \$0.3 million decrease in federal Medicaid funds over the biennium due to a projected change in Federal Medical Assistance Percentage (FMAP) rates for FY 2012 and FY 2013 as they apply to Developmental Disabilities Program operating costs.
- LFD Budget Analysis page **B-216**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|--------------|---------------|---------------|---------------|
| FY 2012 | \$ 165,013 | \$ - | \$ (165,013) | \$ - |
| FY 2013 | \$ 168,077 | \$ - | \$ (168,077) | \$ - |
| Biennium Total | \$ 333,090 | \$ - | \$ (333,090) | \$ - |

PL 10010 - Reduction to DSD Base

- In FY 2010, Developmental Services Division experienced increased service needs in the Comprehensive Services Waiver (for residential, group home, and day treatment services) beyond the budgeted benefit appropriation. Funds were available in other areas of the division. This negative decision package removes \$924,237 in general fund from the base and brings the program back to the level established by the 2009 Legislature.
- LFD Budget Analysis page **B-216**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|---------------------|----------------------|----------------------|----------------------|
| FY 2012 | \$ (924,237) | \$ - | \$ - | \$ (924,237) |
| FY 2013 | \$ (924,237) | \$ - | \$ - | \$ (924,237) |
| Biennium Total | \$ (1,848,474) | \$ - | \$ - | \$ (1,848,474) |

PL 10011 - Re-establish Comprehensive Waiver Base

- This is a request for \$924,237 each year of the biennium in general fund to bring the Comprehensive Services Waiver back to the FY 2010 expenditure level. Additional funding was needed to provide services for residential, group home and day treatment clients, and the division anticipates the continuing need for these client services.
- LFD Budget Analysis page **B-216**

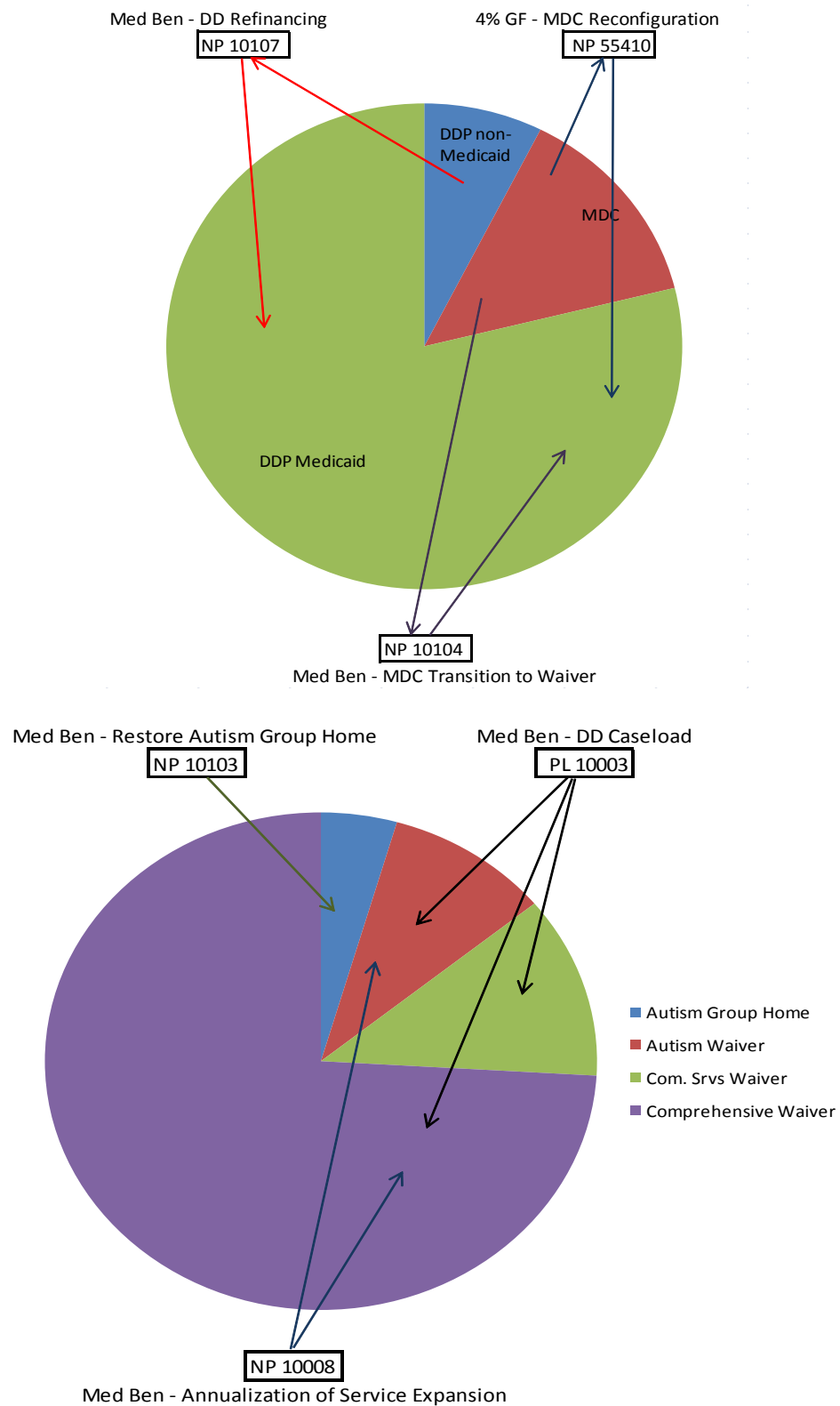
| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|---------------------|----------------------|----------------------|----------------------|
| FY 2012 | \$ 924,237 | \$ - | \$ - | \$ 924,237 |
| FY 2013 | \$ 924,237 | \$ - | \$ - | \$ 924,237 |
| Biennium Total | \$ 1,848,474 | \$ - | \$ - | \$ 1,848,474 |

PL 55140 - 17-7-140 reductions - Operations Efficiency

- This decision package reduces the general fund base by \$98,584 for each year of the biennium for the Developmental Services Division. This amount annualizes and makes permanent the 17-7-140, MCA, 5% budget reduction put in place in the 2011 biennium. The Developmental Services Division will make operations reductions through efficiencies in the areas of travel, conferences, supplies, newspaper ads, cell phone use, postage and contracting.
- LFD Budget Analysis page **B-204 and B-216**

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|---------------------|----------------------|----------------------|----------------------|
| FY 2012 | \$ (98,584) | \$ - | \$ - | \$ (98,584) |
| FY 2013 | \$ (98,584) | \$ - | \$ - | \$ (98,584) |
| Biennium Total | \$ (197,168) | \$ - | \$ - | \$ (197,168) |

Visual Representation of Funding Movements with DDP Benefit Decision Packages



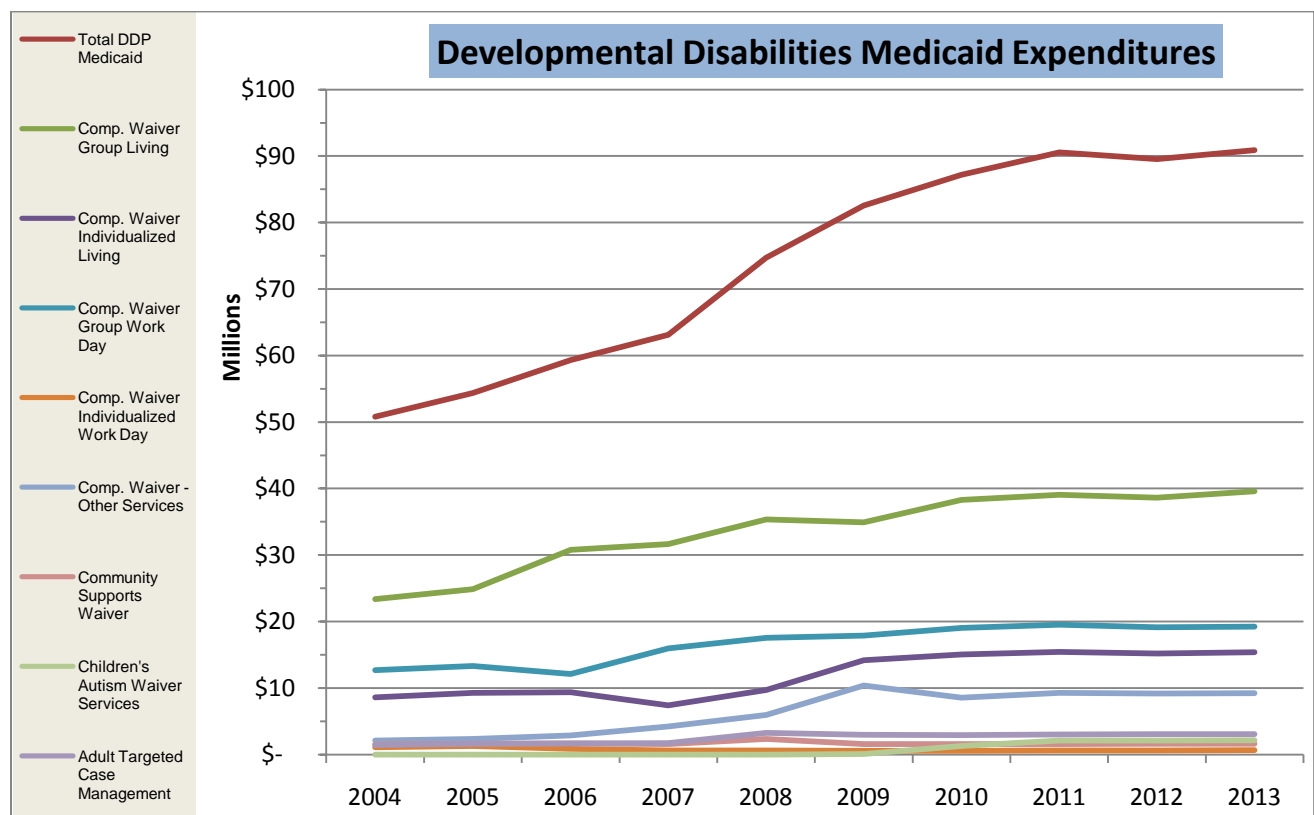
FUNDING INFORMATION

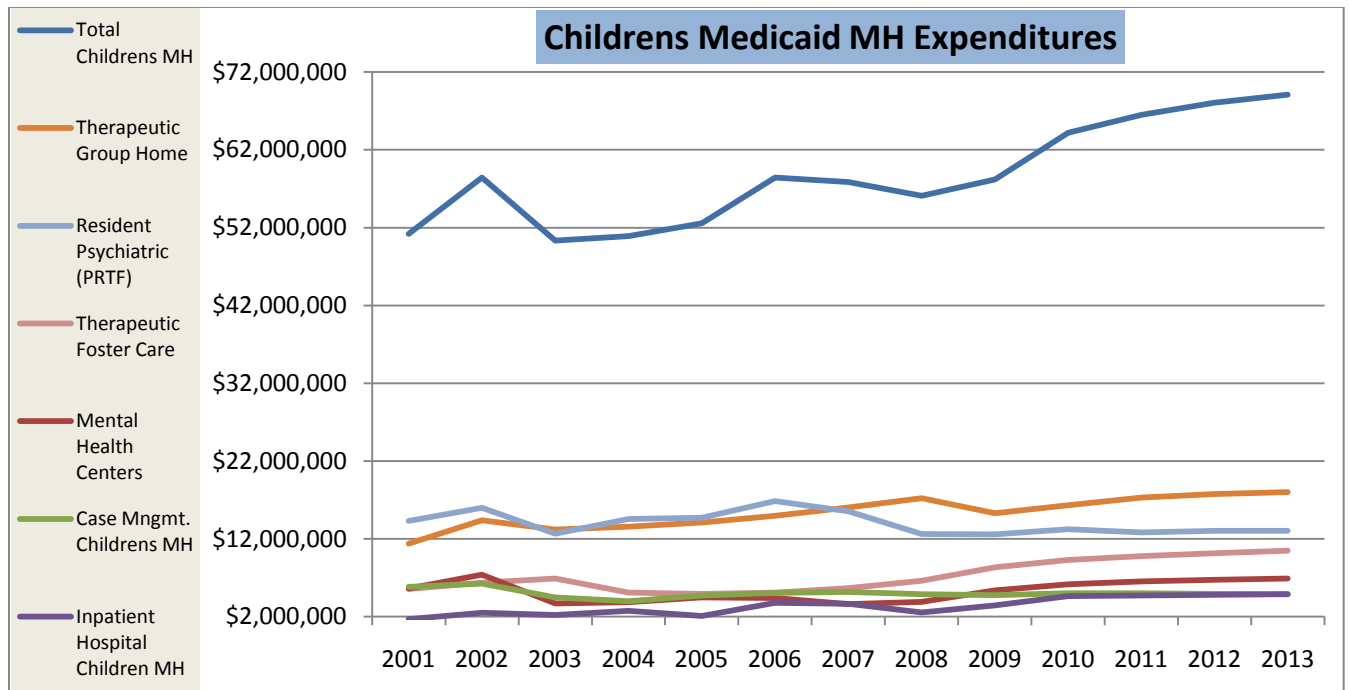
Funding of the Developmental Services Division:

1. CMHB is funded almost entirely with federal Medicaid funds and associated matching state funds at the FMAP.
2. DDP is funded mostly with federal Medicaid funds and associated matching state funds at the FMAP. A large portion of funding for DDP services for non-waiver eligible services and individuals comes from federal Social Services block grant funds. The Early Intervention Program is funded with federal Part C funds (a capped federal grant) and maintenance of effort (MOE) state funds.
3. MDC is funded with general fund. Eligible services are then billed to Medicaid; the federal revenues are first used to pay off the bond and the balance is deposited into the general fund.

There are 367.92 FTE in DSD. Of these FTE, 17.49 are in the Children's Mental Health Bureau, 84.08 FTE in DDP and 266.35 at the Montana Developmental Center.

MEDICAID EXPENDITURE TRENDS

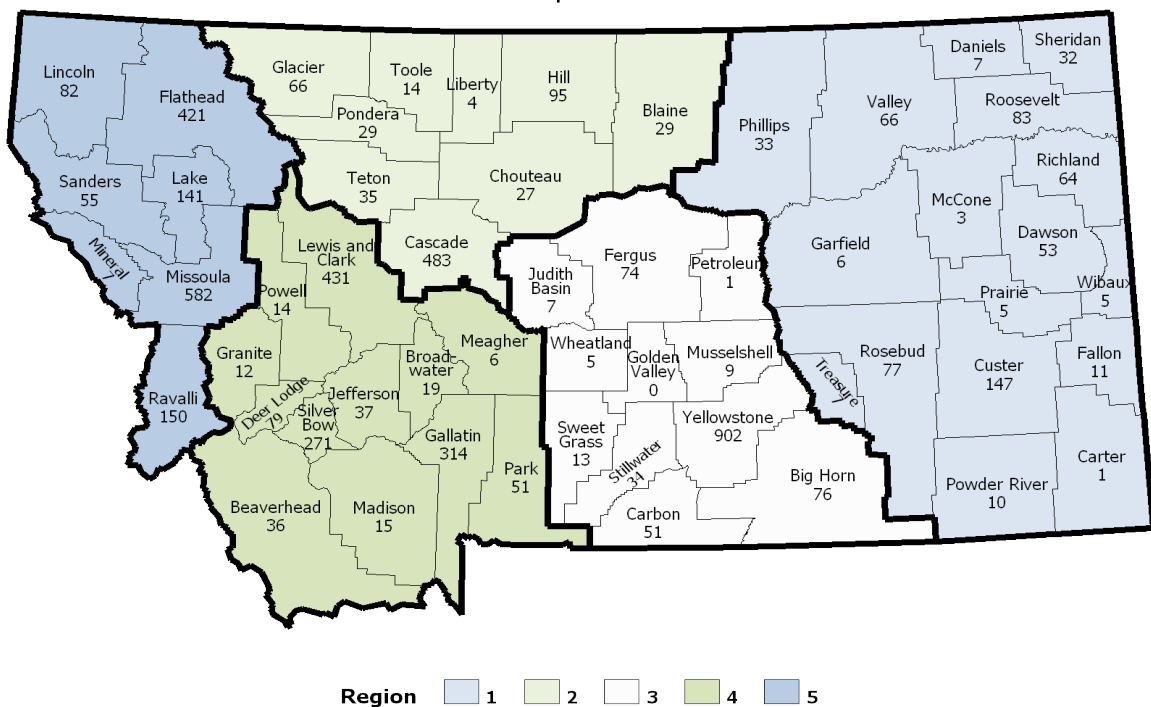




DEVELOPMENTAL DISABILITIES PROGRAM SUMMARY

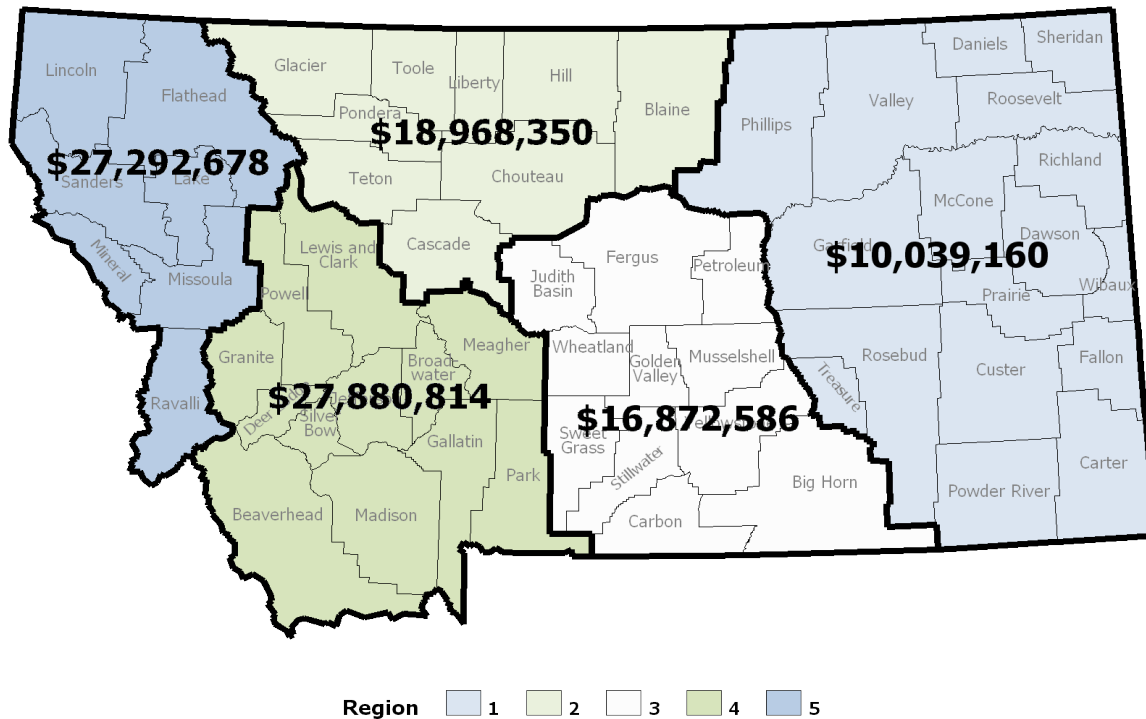
DPHHS — Developmental Disabilities Program

Number of People Served FY 2010



DPHHS — Developmental Disabilities Program

FY 2010 Expenditures by Region



An emphasis on human dignity and a conviction that each person is unique and capable of growth are the cornerstone beliefs of Montana's Developmental Disabilities Program. But developmental disabilities such as intellectual disability, cerebral palsy, epilepsy and autism place significant obstacles in the way of individual growth and development. Montana's priority for providing services to persons with developmental disabilities calls for self-determination and individual participation in life's decisions about where to work, play and live. It also calls for community settings and integration with non-disabled people. These changes in service philosophy are a result of many factors including a growing concern for the rights of individuals, the effectiveness of advocacy groups, and the notable successes of people with developmental disabilities living and working in Montana's communities.

SERVICES PROFILE

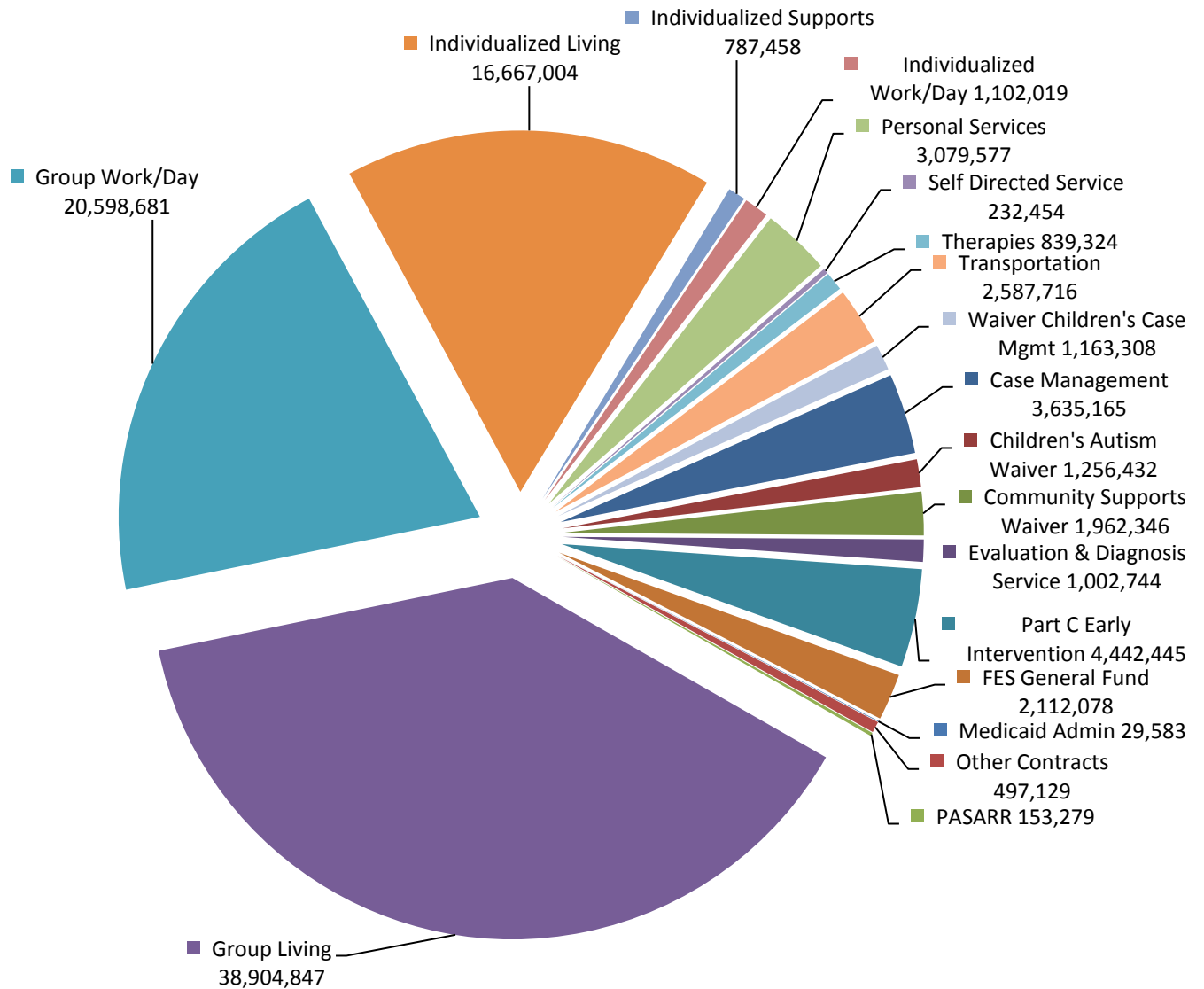
The Developmental Disabilities Program (DDP) typically contracts with private, non-profit and limited liability corporations to provide services to individuals with developmental disabilities. These service programs are located in communities throughout Montana and provide an array of residential and employment opportunities for adults, and Family Education and Support Services for children and their families, based upon individual preferences, needs, and abilities. As of September 30, 2010, 4,219 people are receiving one or more community-based services funded through the Developmental Disabilities Program.

The list of services available to support success for individuals with developmental disabilities who reside in Montana communities include:

Adult Foster Support
Assisted Living
Adult Companion
Community Transition Services
Self – Direction
Self –Directed Respite
Board Certified Behavior Analyst
Personal Emergency Response System
Work and Other Day Services
Children’s Community Homes
Medical Community Homes
Adult Community Homes
Supported Living Services
Personal Care
Adult Companion
Health Maintenance/ Health Safety
Social/Leisure /Recreation, Respite
Transportation

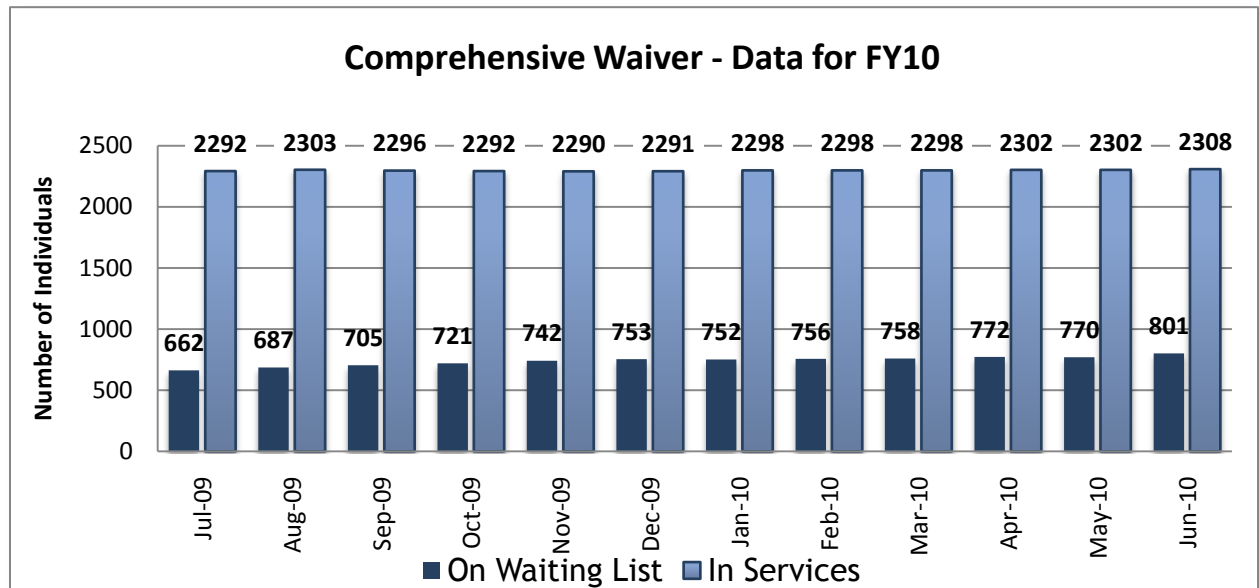
Educational Support
Residential Habilitation
Day Habilitation
Homemaker
Supported Employment
Specialized Medical/Adaptive Equipment
Private Duty Nursing
Personal Emergency Response System
Environmental Adaptations
Infant and Toddler Early Intervention Services
Family Education and Support Services
Children’s Waiver Services - birth to age 22
Children’s Autism Waiver Services
Case Management Services
Transportation Services
Adaptive Equipment
Evaluation and Diagnosis Services

DDP FY 2010 Benefit Expenditures by Service Category (Total \$101,053,589 of state and federal funds)



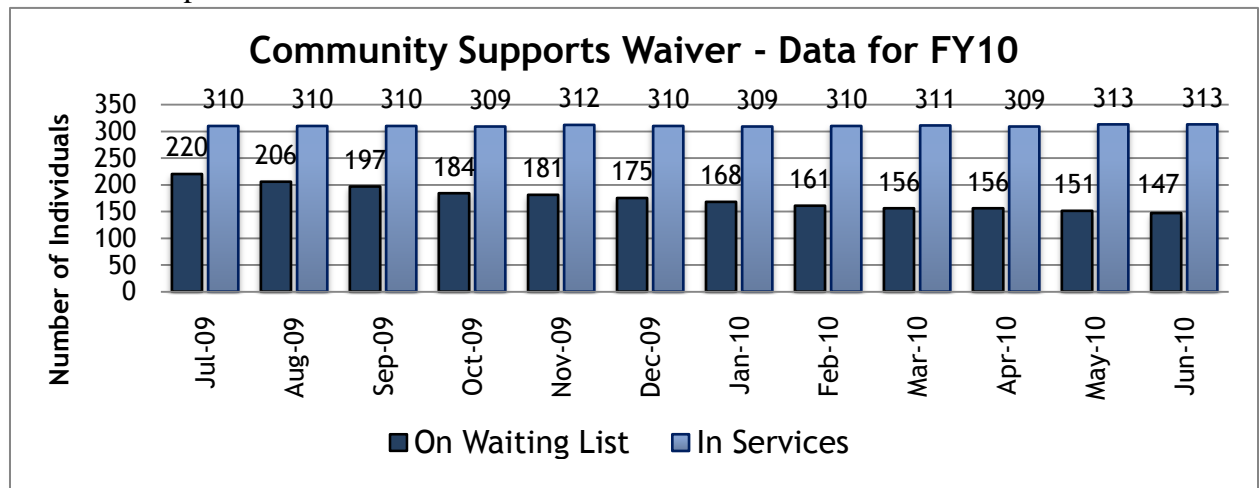
COMPREHENSIVE SERVICES WAIVER

The Comprehensive Services Waiver serves roughly 2,100 persons of all ages with developmental disabilities in a variety of residential and work settings. Service recipients live in natural homes, group homes, apartments, foster homes and assisted living. Work service options include congregate work/day programs and supported employment. A variety of other services and supports, including extended Medicaid State Plan services, are available as well. The average waiver service cost plan is roughly \$37,000 per person per year, although cost plans may vary from less than \$10,000 to more than \$200,000 annually.



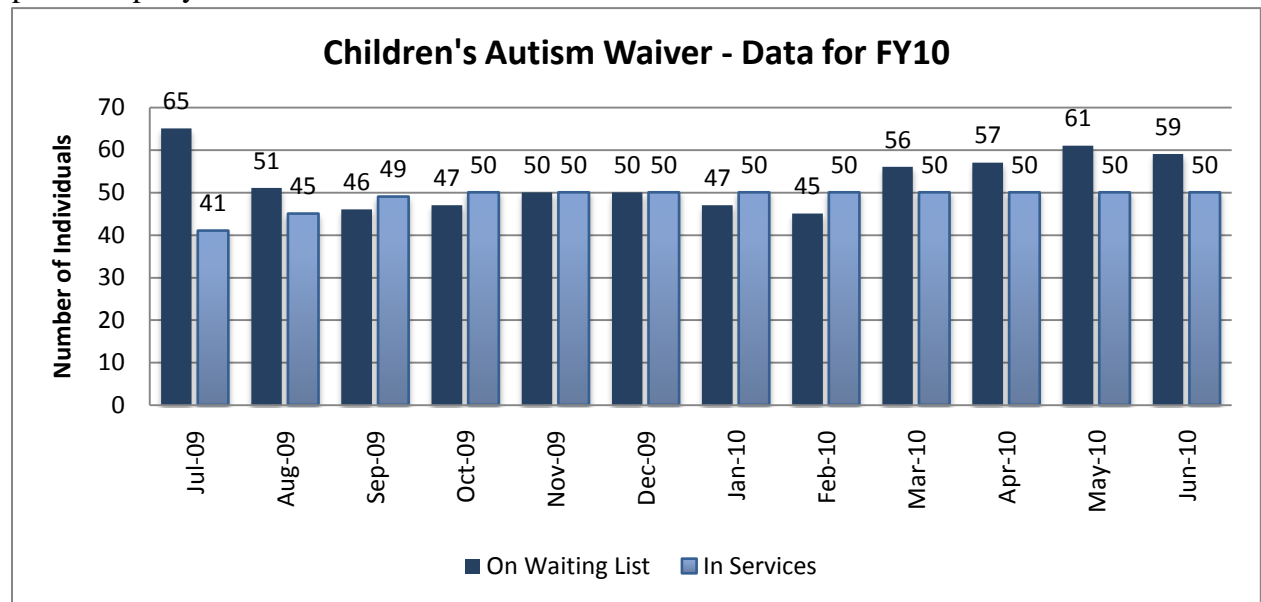
COMMUNITY SUPPORTS WAIVER

The Community Supports Waiver was designed to serve individuals with waiver-funded service needs that can be met for \$7,800 or less per year. Services available in the Community Supports Waiver include homemaker, personal care, respite, residential habilitation, day habilitation, prevocational habilitation, supported employment, environmental modifications, transportation, specialized medical/adaptive equipment, adult companion, private duty nursing, social/leisure/recreation, health, health safety, personal emergency response systems, and health maintenance and educational supports. There are approximately 147 people waiting for Community Supports services. Cost plans average \$5,744 per person per year making this waiver a relatively low cost service option.



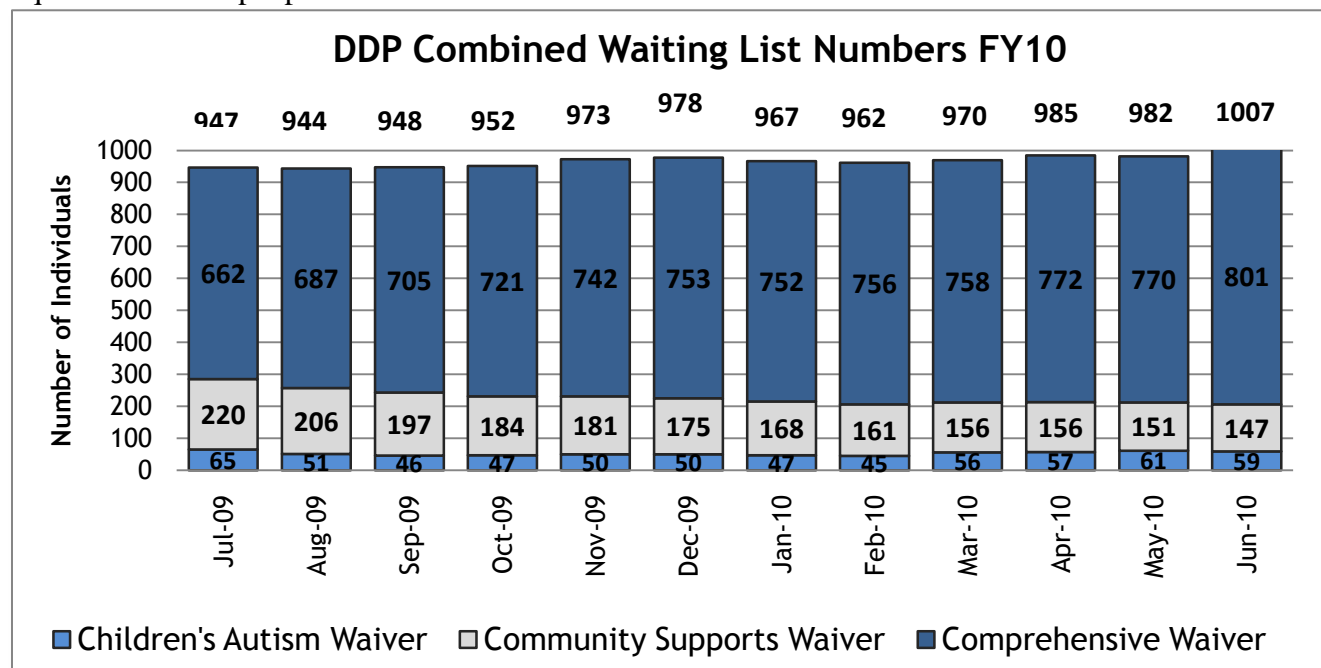
CHILDREN'S AUTISM WAIVER

The Children's Autism Waiver serves Montana children with autism and adaptive behavior deficits. This waiver provides very intensive early intervention training (about 20 hours per week) for improving skills in the areas where children with autism struggle the most: communication, socialization, academics, and activities of daily living. The training also works toward reducing maladaptive behaviors. The waiver serves 50 children who are between the ages of 15 months through 7 years old. Children may be served for a maximum of three years. Seven agencies across the state provide program design and training individualized for each child, case management services, and other supports to enrolled children and their families. The average cost plan is \$43,000 per child per year.



DDP WAITING LIST – COMBINED

The Developmental Disabilities Program's combined waiting list for the three Medicaid waivers equals over 1000 people.



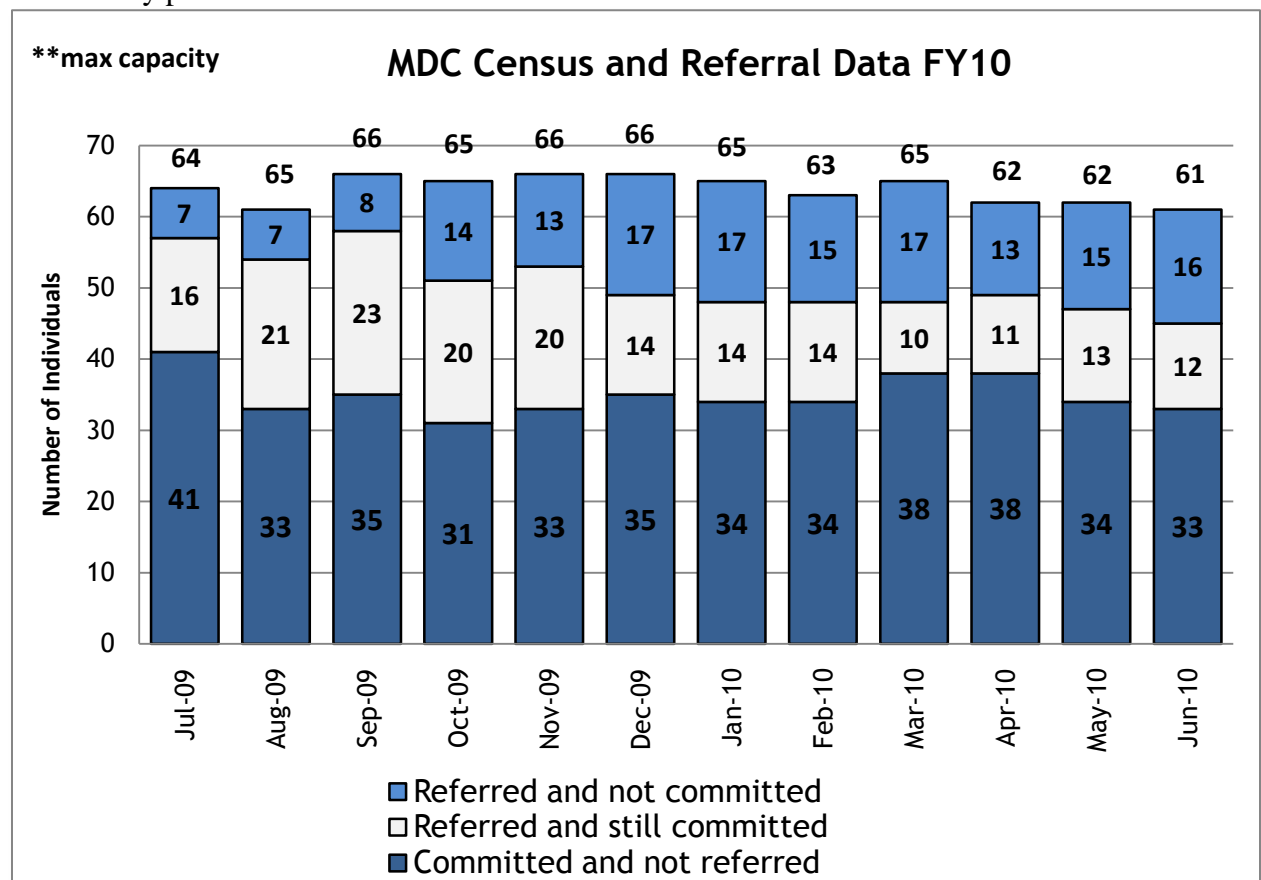
MONTANA DEVELOPMENTAL CENTER (MDC) PROGRAM SUMMARY

The Montana Developmental Center (MDC), located in Boulder, is the State of Montana facility for Seriously Developmentally Disabled persons. MDC provides 24 hour/7 day residential services. Treatment provided includes Nutrition, Communication and Speech Therapy, Medical, Dental, Psychiatric, Psychological and Counseling, Special Education, Vocational, Occupational and Physical Therapy, Recreation Therapy, Fiscal, Social, and Adaptive Living Skills Services. Individuals at MDC are initially either civilly or criminally committed to the facility.

The Montana Developmental Center consists of two separate facilities:

- A 56 bed Intermediate Care Facility for Mental Retardation (ICF-MR) certified and licensed under the Centers for Medicare/Medicaid Services
- A 12 bed Intermediate Care Facility for Developmental Disabilities (ICF-DD), also referred to as the Assessment and Stabilization Unit (ASU), licensed as a behavioral health unit by the State of Montana

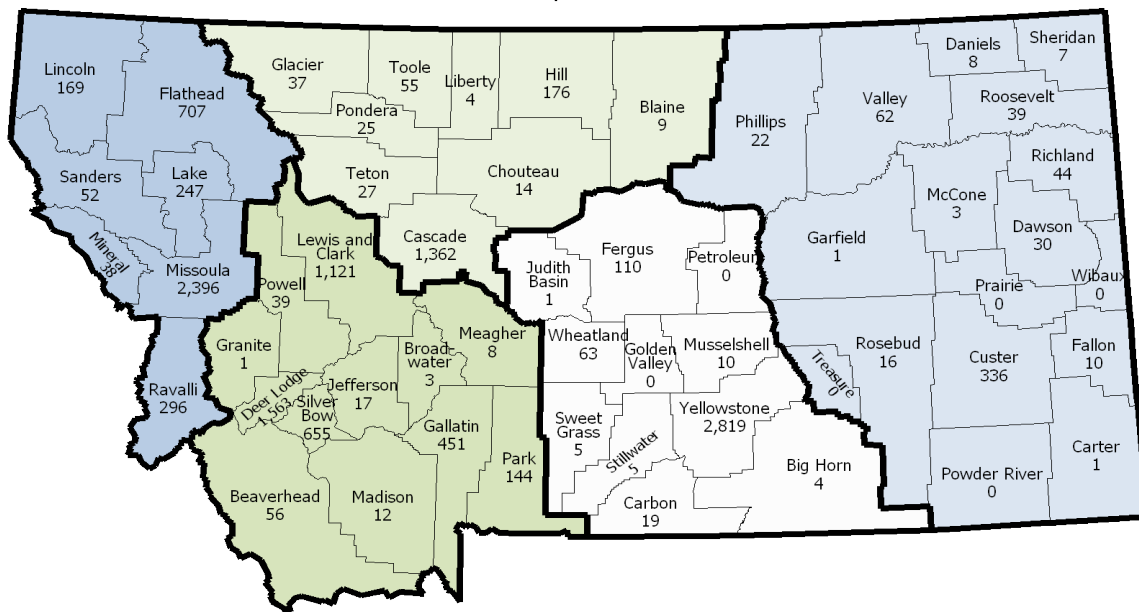
The bed capacity of MDC is 68. The following chart provides FY 10 data by month on: 1) the census at MDC; 2) the number of persons residing at MDC who have been referred for community placement and whose commitment has expired; 3) the number of persons residing at MDC who have been referred for community placement but whose commitment was still current; and 4) the number of individuals residing at MDC with a current commitment and have not been referred for community placement.



CHILDREN'S MENTAL HEALTH BUREAU PROGRAM SUMMARY

DPHHS — Children's Mental Health Bureau

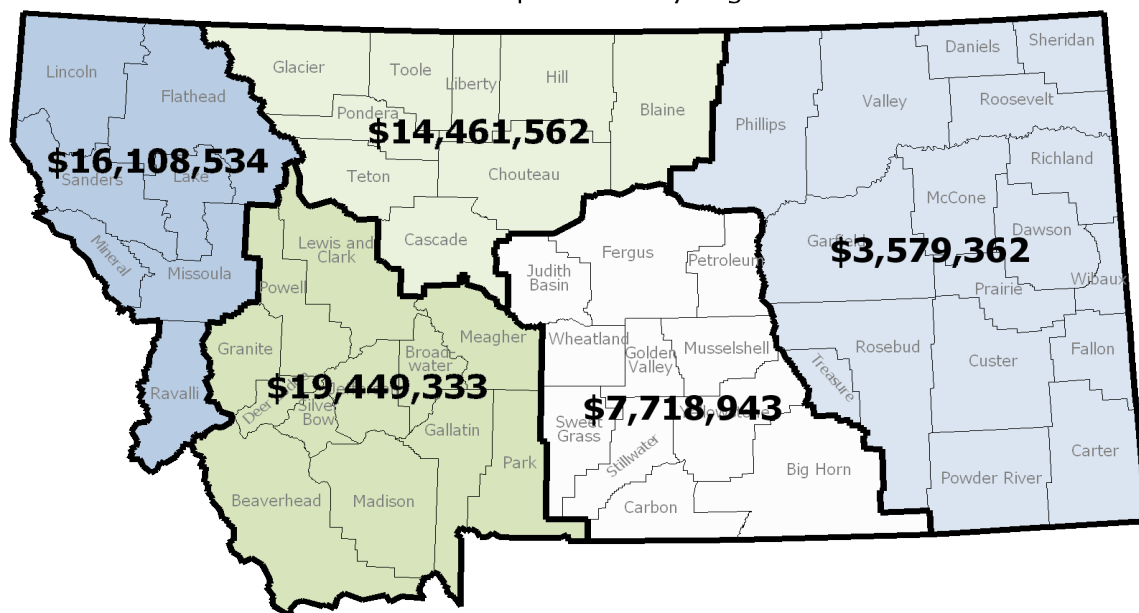
Number of People Served FY 2010



Region 1 2 3 4 5

DPHHS — Children's Mental Health Program

FY 2010 Expenditures by Region



Region 1 2 3 4 5

The Children's Mental Health Bureau (CMHB) provides leadership in an integrated system of care for Montana families, youth and children and to manage Medicaid funded mental health services. Over the past two years, the Bureau's top priorities have been to:

Enhance relationships with system partners with the objective of promoting strong collaborative working relationships between CMHB and state agencies, providers, and other community stakeholders;

Increase family and youth involvement in decisions with the objective of integrating families and youth into all levels of planning, development and assessment of services; and

Improve the management of effective services with the objective of providing clear guidance and feedback to providers and other child serving agencies to improve quality, consistency, and access to effective mental health services for youth and families.

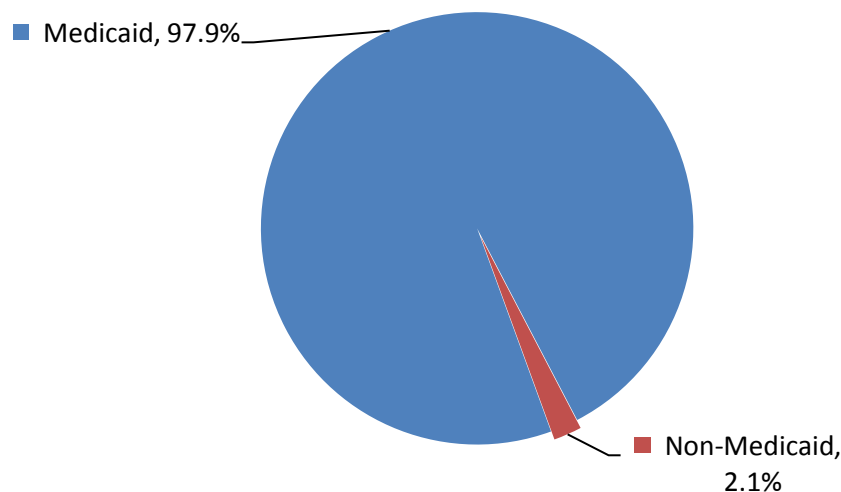
To read more about the specific activities that support the bureau's mission, values and "Big Aims", go to the CMHB website at: <http://www.dphhs.mt.gov/mentalhealth/children/index.shtml>.

SUMMARY OF MAJOR FUNCTIONS

The CHMB primarily uses Medicaid funding to pay for mental health services and programs for youth.

SFY 2010 Expenditures

(Medicaid versus Non-Medicaid,
including state and federal funds)

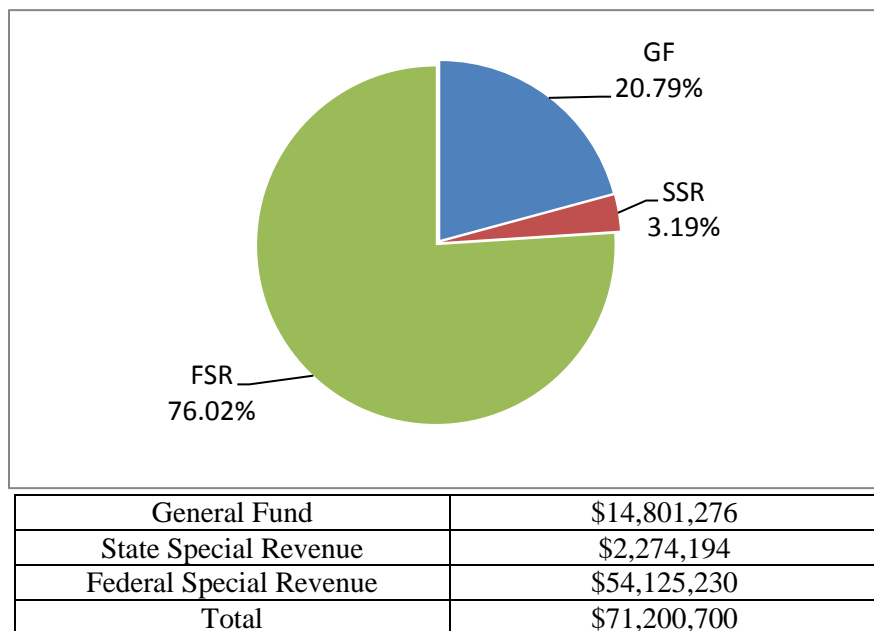


| | |
|--------------|--------------|
| Medicaid | \$69,701,905 |
| Non-Medicaid | \$1,498,795 |
| Total | \$71,200,700 |

MEDICAID MENTAL HEALTH SERVICES FOR YOUTH

The Children's Mental Health Bureau (CMHB) is responsible for designing, developing, managing and evaluating mental health services for youth. The primary population served is youth with serious emotional disturbances (SED) enrolled in Medicaid, now known as Healthy Montana Kids Plus. The Bureau source of funding for the purchase of services from private mental health providers is federal Medicaid dollars matched with state funds. The cost of administering mental health services for youth with serious emotional disturbance is 4.10% of the total dollars spent on these services.

SFY 2010 SOURCES OF FUNDING FOR CMHB



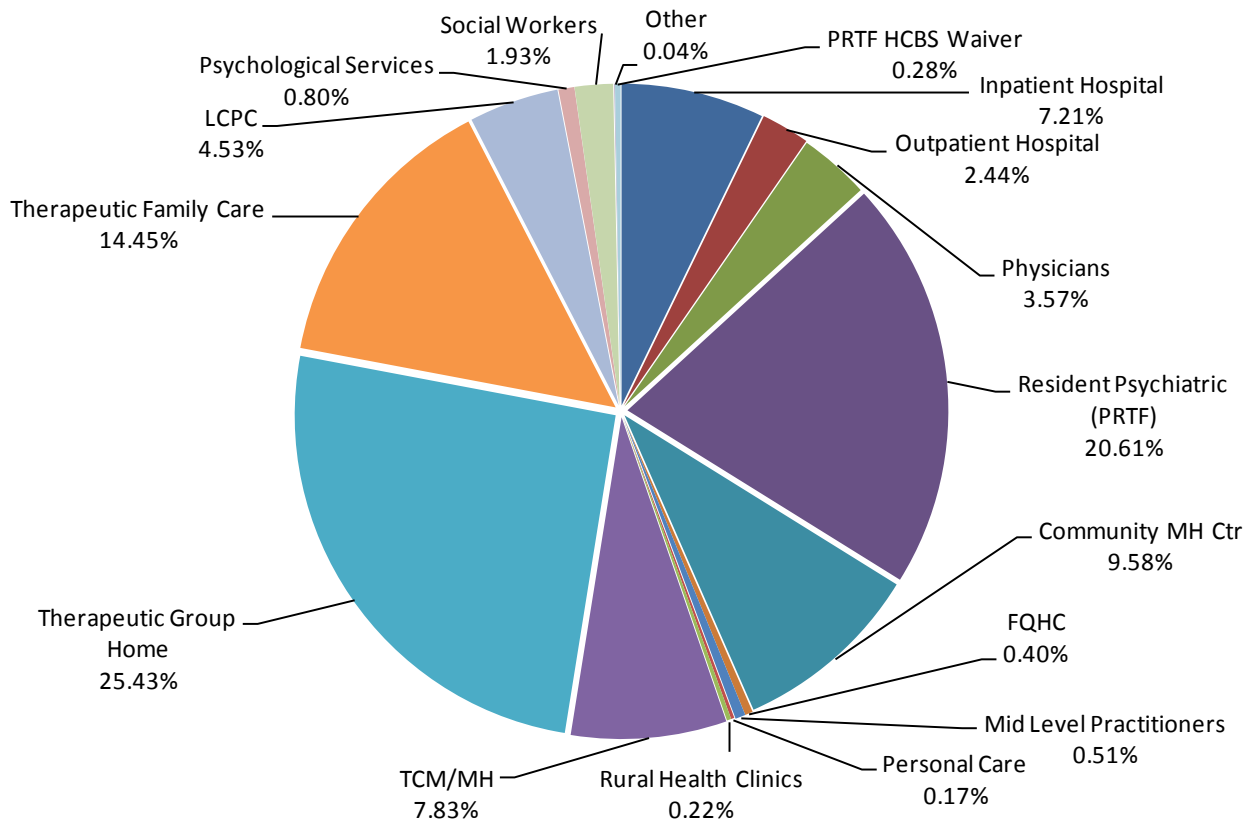
Montana has a continuum of mental health services for youth with mental health treatment needs. Many of these services require prior authorization to ensure they are medically necessary and are being provided to youth who meet criteria for serious emotional disturbance. The exception is outpatient therapy which is available without prior authorization to all Medicaid eligible youth with a DSM diagnosis for the first 24 session in a year.

Montana's Medicaid eligible youth with SED can receive medically necessary services which include:

- acute hospitalization
- hospital outpatient services
- psychiatric residential treatment facilities
- therapeutic group care
- therapeutic foster care
- individual, group and family therapy
- psychotropic medication monitoring

- assessment and evaluation
- targeted youth case management
- youth day treatment
- community-based psychiatric rehabilitation and support services
- comprehensive school and community treatment
- therapeutic family care

**CMHB MEDICAID FUNDED MENTAL HEALTH SERVICES
BASED ON SFY 2010 CLAIMS**



The following information is about the number of youth served and the cost of services provided by the CMHB based on date of payment in SFY 2010. These are NOT unduplicated numbers.

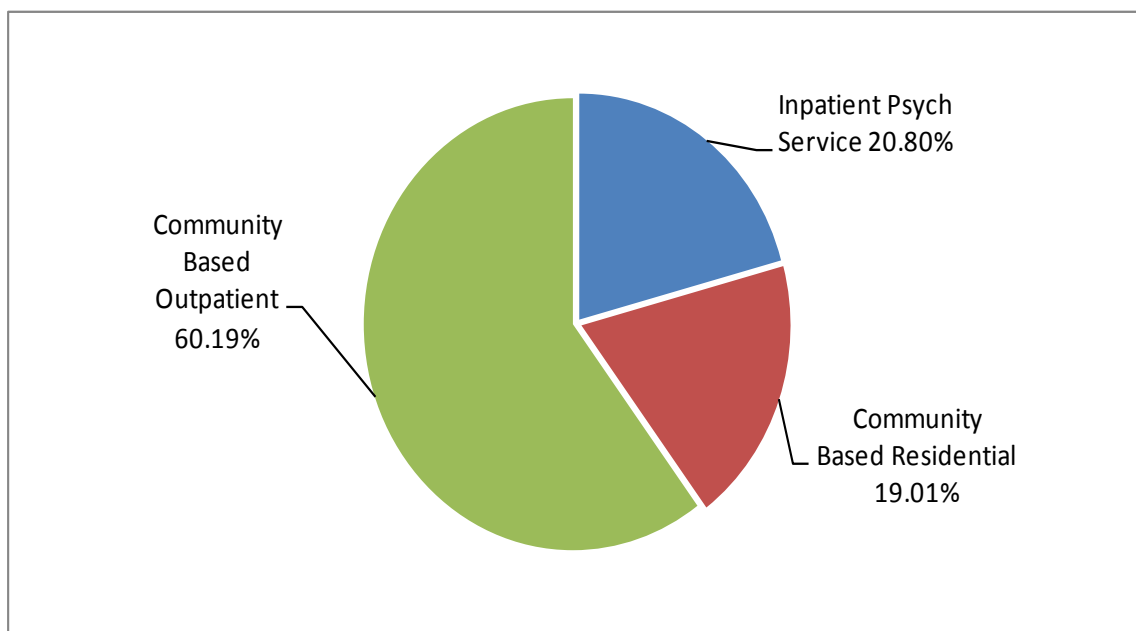
| CLAIMS PAID IN SFY 2010 | | |
|-----------------------------|--------------|--------------|
| PROVIDER TYPE | \$\$ SPENT | YOUTH SERVED |
| Therapeutic Group Home | \$16,319,981 | 536 |
| Resident Psychiatric (PRTF) | \$13,231,297 | 417 |
| Therapeutic Family Care | \$9,275,927 | 1096 |
| Community MH Ctr | \$6,148,088 | 2082 |
| Case Mgmt/Mental Health | \$5,026,429 | 3355 |
| Inpatient Hospital | \$4,625,410 | 611 |
| LCPC | \$2,907,506 | 4359 |
| Physicians | \$2,292,974 | 4321 |
| Outpatient Hospital | \$1,566,107 | 1914 |
| Social Workers | \$1,239,405 | 2224 |
| Psychological Services | \$515,633 | 1102 |
| Mid Level Practitioners | \$329,719 | 1188 |
| FQHC | \$254,558 | 493 |
| PRTF HCBS Waiver | \$180,000 | 19 |
| Rural Health Clinics | \$139,691 | 471 |
| Personal Care | \$108,617 | 20 |
| Other | \$26,881 | 122 |

Missing from these charts is the cost of Comprehensive School and Community Treatment (CSCT), a school based mental health service that provides mental health services for SED youth using local school resources to match Medicaid dollars. CSCT is administered through the Acute Services Bureau of the Health Resources Division (HRD) working collaboratively with CMHB and the Office of Public Instruction. Currently there are 222 school teams in 73 Montana cities, serving youth in Headstart, elementary, middle, and high school. Utilization of CSCT has grown tremendously as shown in the following chart. More federal Medicaid dollars are spent for CSCT than any other single mental health service for youth.

| CSCT CLAIMS PAID BY SFY | | |
|-------------------------|--------------|--------------|
| YEAR | \$\$ SPENT | YOUTH SERVED |
| 2007 | \$10,323,573 | 1861 |
| 2008 | \$12,404,522 | 2186 |
| 2009 | \$17,561,972 | 2486 |
| 2010 | \$21,673,364 | 2887 |

Montana's policy is to serve youth with mental health treatment needs with home and community based services whenever possible, using hospital and psychiatric residential services only for short periods of treatment and stabilization rather than for long term placement. The following chart, which includes the cost of CSCT services, indicates the percentage of federal and state resources spent at each of the previously described levels of care:

MEDICAID FUNDING ALLOCATION FOR SERVICES (BASED ON SFY 2010 CLAIMS)



Youth and families in some communities have the option of electing to enroll in the PRTF Demonstration Waiver. If the youth meets level of care criteria for a Psychiatric Residential Treatment Facility (PRTF), an intensive out of home treatment facility that provides 24/7 psychiatric care, they can choose instead to receive intensive services at home including wraparound facilitation, peer mentoring, and in-home therapy.

NON-MEDICAID FUNDED SERVICES FOR YOUTH AND FAMILIES

In addition to Medicaid funded mental health benefits for youth, youth and families have access to additional limited services that support keeping children at home and in the community. These include:

Respite for families with SED youth who need short term relief from their care taking responsibilities. This is a limited benefit providing up to 12 hours per month or 144 hours per year. Supplemental Services for youth at home or on their way home to support the family to maintain and strengthen their relationship with their child and to enhance the youth's chance for success in the community. This program pays for non-Medicaid community services, travel, and limited room and board in community based residential settings.

System of Care activities and services which includes wraparound facilitation, family and youth education and support groups, and other non-Medicaid services and supports identified in multi-agency plans.

| SFY 2010 Non Medicaid Funded Services | |
|---------------------------------------|-----------|
| Respite | \$462,148 |
| Supplemental Services | \$300,000 |
| System of Care | \$542,248 |

OTHER RELATED LEGISLATIVE REPORTS

Out of State Placement and Monitoring Reports (required by SB 399) submitted:
September 21, 2009 for SFY 2009
April 26, 2010 for first six months of SFY 2010
August 24, 2010 for SFY 2010

System of Care Report to the Legislature (required by HB 243) submitted:
August 17, 2010
Addendum to the System of Care Report submitted:
October 29, 2010

LEGISLATION

The Developmental Services Division has one piece of legislation, SB73. Senator Murphy introduced this bill at the request of the Department. SB73 is "AN ACT PROVIDING THAT THE RIGHTS AND OBLIGATIONS OF A STATE-OPERATED ADULT HEALTH CARE FACILITY PROVIDING SPECIAL EDUCATION SERVICES TO ITS RESIDENTS ARE EQUIVALENT TO THE OBLIGATIONS OF A SCHOOL DISTRICT; AND AMENDING SECTIONS 20-7-401 AND 20-7-411, MCA."